

**REI DENMARK APS**

**C/O CBRE A/S, RUED LANGGAARDS VEJ 6-8, 2300 KØBENHAVN S**

**ANNUAL REPORT**

**1 JANUARY - 31 DECEMBER 2016**

**The Annual Report has been presented and  
adopted at the Company's Annual General  
Meeting on 12 June 2017**

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**Andreas Norberg**

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**COMPANY DETAILS**

<b>Company</b>	REI DENMARK ApS c/o CBRE A/S, Rued Langgaards Vej 6-8 2300 Copenhagen S  CVR no.: 36 04 52 13 Established: 1 July 2014 Registered Office: Copenhagen Financial Year: 1 January - 31 December
<b>Board of Executives</b>	Stefan Berg Joel Karin Birgitta Polstam Andreas Norberg Jan Hendrik Eertink Jan Lyng-Petersen
<b>Auditor</b>	KPMG Statsautoriseret Revisionspartnerselskab Dampfærgevej 28 2100 Copenhagen Ø

## STATEMENT BY BOARD OF EXECUTIVES

Today the Board of Executives have discussed and approved the Annual Report of REI DENMARK ApS for the year 1 January - 31 December 2016.

The Annual Report is presented in accordance with the Danish Financial Statements Act.

In our opinion the Financial Statements give a true and fair view of the the Company's financial position at 31 December 2016 and of the results of the the Company's operations for the financial year 1 January - 31 December 2016.

The Management's Review includes in our opinion a fair presentation of the matters dealt with in the review.

We recommend the Annual Report be approved at the Annual General Meeting.

Copenhagen, 12 June 2017

Board of Executives

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Stefan Berg Joel

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Karin Birgitta Polstam

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Andreas Norberg

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Jan Hendrik Eertink

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Jan Lyng-Petersen

## INDEPENDENT AUDITOR'S REPORT

### To the Shareholders of REI DENMARK ApS

#### Opinion

We have audited the financial statements of REI Denmark ApS for the financial year 1 January - 31 December 2016, comprising income statement, balance sheet, notes, and accounting policies. The financial statements are prepared in accordance with the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's assets, liabilities and financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

#### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's responsibilities for the audit of the financial statements" section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these rules and requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that give a true and fair view in accordance with the Danish Financial Statements Act and for such internal control that Management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the financial statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

#### Auditor's Responsibility for the Financial Statements

Our objectives are to obtain reasonable assurance as to whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements in Denmark will always detect a material misstatement when it exists. Misstatements may arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of financial statement users made on the basis of these financial statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the company financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management

## INDEPENDENT AUDITOR'S REPORT

- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern
- Evaluate the overall presentation, structure and contents of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that gives a true and fair view

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

### Statement on Management's Review

Management is responsible for the Management's review.

Our opinion on the financial statements does not cover the Management's review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the Management's review and, in doing so, consider whether the Management's review is materially inconsistent with the financial statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

Moreover, it is our responsibility to consider whether the Management's review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that the Management's review is in accordance with the financial statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of the Management's review.

Copenhagen, 12 June 2017

KPMG Statsautoriseret Revisionspartnerselskab  
CVR-nr. 25 57 81 98

Henrik O. Larsen  
State Authorised Public Accountant

## **MANAGEMENT'S REVIEW**

### **Principal activities**

The principal activities comprise construction of warehouses, offices and parking facilities and rental of the properties.

### **Significant events after the end of the financial year**

No events have occurred after the end of the financial year of material importance for the company's financial position.

## INCOME STATEMENT 1 JANUARY - 31 DECEMBER

	Note	2016 DKK '000	2015 DKK '000
<b>NET REVENUE</b> .....		<b>9.756</b>	<b>6.563</b>
Other operating income.....		246	0
Other external expenses.....		-2.868	-2.361
<b>GROSS PROFIT</b> .....		<b>7.134</b>	<b>4.202</b>
Depreciation, amortisation and impairment.....		-3.374	-2.263
<b>OPERATING PROFIT</b> .....		<b>3.760</b>	<b>1.939</b>
Other financial income.....		0	1
Other financial expenses.....		-48	-1.790
<b>PROFIT BEFORE TAX</b> .....		<b>3.712</b>	<b>150</b>
Tax on profit for the year.....	1	-817	-33
<b>PROFIT FOR THE YEAR</b> .....		<b>2.895</b>	<b>117</b>
<b>PROPOSED DISTRIBUTION OF PROFIT</b>			
Accumulated profit.....		2.895	117
<b>TOTAL</b> .....		<b>2.895</b>	<b>117</b>



## BALANCE SHEET AT 31 DECEMBER

ASSETS	Note	2016 DKK '000	2015 DKK '000
Land and buildings.....		78.477	81.707
<b>Tangible fixed assets.....</b>	<b>2</b>	<b>78.477</b>	<b>81.707</b>
Rent deposit.....		979	0
<b>Fixed asset investments.....</b>	<b>3</b>	<b>979</b>	<b>0</b>
<b>FIXED ASSETS.....</b>		<b>79.456</b>	<b>81.707</b>
Trade receivables.....		0	487
Deferred tax assets.....		140	0
Other receivables.....		75	36
Prepayments and accrued income.....		0	942
<b>Receivables.....</b>		<b>215</b>	<b>1.465</b>
<b>Cash and cash equivalents.....</b>		<b>8.258</b>	<b>2.470</b>
<b>CURRENT ASSETS.....</b>		<b>8.473</b>	<b>3.935</b>
<b>ASSETS.....</b>		<b>87.929</b>	<b>85.642</b>

## BALANCE SHEET AT 31 DECEMBER

EQUITY AND LIABILITIES	Note	2016 DKK '000	2015 DKK '000
Share capital.....		50	50
Retained profit.....		82.307	76.912
<b>EQUITY.....</b>	<b>4</b>	<b>82.357</b>	<b>76.962</b>
Provision for deferred tax.....		0	33
<b>PROVISION FOR LIABILITIES.....</b>		<b>0</b>	<b>33</b>
Prepaid rent.....		3.052	0
Trade payables.....		0	7.096
Corporation tax.....		990	0
Other liabilities.....		1.530	1.551
<b>Current liabilities.....</b>		<b>5.572</b>	<b>8.647</b>
<b>LIABILITIES.....</b>		<b>5.572</b>	<b>8.647</b>
<b>EQUITY AND LIABILITIES.....</b>		<b>87.929</b>	<b>85.642</b>
 Related parties	 5		

## NOTES

	2016 DKK '000	2015 DKK '000	Note
<b>Tax on profit/loss for the year</b>			<b>1</b>
Calculated tax on taxable income of the year.....	990	0	
Adjustment of deferred tax.....	-173	33	
	<b>817</b>	<b>33</b>	
 <b>Tangible fixed assets</b>			 <b>2</b>
		Land and buildings	
Cost at 1 January 2016.....		84.114	
<b>Cost at 31 December 2016.....</b>		<b>84.114</b>	
Depreciation and impairment losses at 1 January 2016.....		2.263	
Depreciation for the year.....		3.374	
<b>Depreciation and impairment losses at 31 December 2016.....</b>		<b>5.637</b>	
 Carrying amount at 31 December 2016.....		 <b>78.477</b>	
 <b>Fixed asset investments</b>			 <b>3</b>
		Rent deposit and other receivables	
Cost at 1 January 2016.....		0	
Additions.....		979	
<b>Cost at 31 December 2016.....</b>		<b>979</b>	
 Carrying amount at 31 December 2016.....		 <b>979</b>	
 <b>Equity</b>			 <b>4</b>
	Share capital	Retained profit	Total
Equity at 1 January 2016.....	50	76.912	76.962
Capital increase.....		2.500	2.500
Proposed distribution of profit.....		2.895	2.895
 <b>Equity at 31 December 2016.....</b>	 <b>50</b>	 <b>82.307</b>	 <b>82.357</b>

**NOTES****Note****Related parties****5**

REI Investment I B.V holds the majority of share capital in the Company.

**Ownership**

REI Denmark ApS is a part of the consolidated financial statements of REI Investment I B.V and ING Groep N.V and can be obtained at the following address:

**Largest group:**

ING Groep N. V  
Bijlmerplein 888  
1102 MG Amsterdam  
P.O Box 1800, 1000 BV Amsterdam  
The Netherlands

**Smallest group:**

REI Investment I B.V.  
Prinses Beatrixlann 35  
90504, 2509LM's - Gravenhage  
Belgium

## ACCOUNTING POLICIES

The annual report of REI DENMARK ApS for 2016 has been presented in accordance with the provisions of the Danish Financial Statements Act for enterprises in reporting class B with additional choice of rules relating to reporting class C.

The Annual Report is prepared consistently with the accounting principles used last year.

## INCOME STATEMENT

### Net revenue

Net revenue comprises rental income from lease of property and from recharged costs. Revenue is recognised in the income statement for the period relating to the financial year.

### Other operating income

Other operating income includes items of a secondary nature in relation to the enterprises' principal activities, including profit from sale of intangible and tangible fixed assets.

### Other external expenses

Other external expenses include cost of sales, administration, buildings, etc.

### Financial income and expenses

Financial income and expenses include interest income and expenses, realised and unrealised gains and losses arising from transactions in foreign currencies. Financial income and expenses are recognised in the income statement by the amounts that relate to the financial year.

### Tax on profit for the year

The tax for the year, which consists of the current tax for the year and changes in deferred tax, is recognised in the income statement by the portion that may be attributed to the profit for the year, and is recognised directly in the equity by the portion that may be attributed to entries directly to the equity.

## BALANCE SHEET

### Tangible fixed assets

Land and buildings are measured at cost less accumulated depreciation and impairment losses. Land is not depreciated.

The depreciation base is cost less estimated residual value after end of useful life.

The cost includes the acquisition price and costs incurred directly in connection with the acquisition until the time when the asset is ready to be used. As regards self-manufactured assets, the cost price includes cost of materials, components, subcontractors, direct payroll and indirect production costs.

Straight-line depreciation is provided on the basis of an assessment of the expected useful lives of the assets and their residual value:

	Useful life	Residual value
Buildings.....	25 years	0 %

Profit or loss on disposal of tangible fixed assets is stated as the difference between the sales price less selling costs and the carrying amount at the time of sale. Profit or loss is recognised in the income statement as other operating income or other operating expenses.

## ACCOUNTING POLICIES

### Fixed asset investments

Deposits include rental deposits which are recognised and measured at amortised cost. Deposits are not depreciated.

### Impairment of fixed assets

The carrying amount of tangible assets together with fixed assets, which are not measured at fair value, are valued on an annual basis for indications of impairment other than that reflected by amortisation and depreciation.

In the event of impairment indications, an impairment test is made for each asset or group of assets, respectively. If the net realisable value is lower than the carrying amount, the assets are written down to the lower value.

The recoverable amount is calculated at the higher of net selling price and capital value. The capital value is determined as the fair value of the expected net cash flows from the use of the asset or group of assets and the expected net cash flows from sale of the asset or group of assets after the end of its useful life.

### Receivables

Receivables are measured at amortised cost which usually corresponds to nominal value. The value is reduced by impairment losses to meet expected losses.

### Prepayments and accrued income

Comprise costs incurred relating to the subsequent financial year.

### Tax payable and deferred tax

Current tax liabilities and receivable current tax are recognised in the balance sheet as the calculated tax on the taxable income for the year, adjusted for tax on the taxable income for previous years and taxes paid on account.

Deferred tax is measured on the temporary differences between the carrying amount and the tax value of assets and liabilities.

Deferred tax assets, including the tax value of tax loss carry-forwards, are measured at the expected realisable value of the asset, either by set-off against tax on future earnings or by set-off against deferred tax liabilities within the same legal tax entity.

Deferred tax is measured on the basis of the tax rules and tax rates that under the legislation in force on the balance sheet date would be applicable when the deferred tax is expected to crystallise as current tax. Any changes in the deferred tax resulting from changes in tax rates, are recognised in the income statement, except from items recognised directly in equity.

### Liabilities

Other liabilities are measured at, amortised cost usually corresponds to nominal value.